

SENATE BILL 1597

By Yager

AN ACT to amend Tennessee Code Annotated, Title 57,
Chapter 3 and Title 57, Chapter 4, relative to
delivery of alcoholic beverages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-3-224, is amended by deleting subsection (a) and substituting instead the following:

(a) There is created a delivery service license to be issued by the commission to any delivery service that delivers or facilitates delivery of prepared food from restaurants or items from a retail store to customers as part of the delivery service's business and seeks to deliver sealed packages of alcoholic beverages or beer or both sold by any retailer licensed under title 57, chapter 3, or an off-premise retail permittee licensed under § 57-5-103 as part of such delivery service. If a delivery service licensed under this section is delivering alcoholic beverages or beer purchased from a retailer in accordance with this subsection (a), the delivery service shall not deliver the alcoholic beverages or beer to a customer who resides or is located at the time of the delivery at a distance greater than one hundred (100) miles from the licensed premises of the retailer at which the alcoholic beverages or beer were purchased. A delivery service shall include for purposes of this title 57 a technology services company that provides software or an application for connecting customers, retailers, or restaurants to a delivery driver.

SECTION 2. Tennessee Code Annotated, Section 57-3-224, is amended by adding the following language as a new subsection:

(f) A delivery service may use either employees or independent contractors as part of such delivery service. Any person delivering products for a delivery service shall comply with the provisions contained in § 57-3-225 related to delivery drivers in order to deliver alcoholic beverages or beer or both as provided in this section.

SECTION 3. Tennessee Code Annotated, Section 57-3-224(d), is amended by adding the language "or independent contractor" immediately following the language "any potential employee".

SECTION 4. Tennessee Code Annotated, Section 57-3-224(e), is amended by adding the language "or independent contractor" immediately following the language "employee".

SECTION 5. Tennessee Code Annotated, Section 57-3-406(k), is amended by adding the language "or food from a retailer" immediately following the language "prepared food from restaurants".

SECTION 6. Tennessee Code annotated, Section 57-3-225, is amended by deleting the section in its entirety and substituting instead the following:

57-3-225.

(a) Beginning July 1, 2018, each delivery service licensed under § 57-3-224 shall be required to annually file a report stating the number of delivery drivers used by the delivery service to deliver alcoholic beverages, beer, or both, in the twelve (12) months preceding the date of the report. Each delivery service licensee shall maintain for each delivery driver covered by the licensee's delivery service license, records sufficient to verify the identity of each delivery driver, a copy of each delivery driver's license, and a copy of the background check conducted for that delivery driver pursuant to § 57-3-224(d).

(b) Each delivery service licensee may employ or contract with any person meeting the following requirements:

(1) Is at least twenty-one (21) years of age;

(2) Has had a background check conducted pursuant to § 57-3-224(d) to ensure the individual has not been convicted of any crime involving the sale and distribution of alcohol within the previous seven (7) years or has not been convicted of any felony within the previous five (5) years; and

(3) Has a valid driver license.

(c) In addition to the annual license fee in § 57-3-224(c), a delivery service licensee shall pay a fee based on the total number of delivery service employees or independent contractors used by the delivery service licensee in the prior year. The fee shall be as follows:

(1) 0-15 delivery drivers -- \$50

(2) 16-30 delivery drivers -- \$100

(3) 31-45 delivery drivers -- \$150

(4) 46-60 delivery drivers -- \$200

(5) 61-100 delivery drivers -- \$250

(6) 101-150 delivery drivers -- \$300

(7) 151-200 delivery drivers -- \$350

(8) Fifty dollars (\$50.00) for each additional fifty (50) delivery drivers over two hundred (200) until a maximum of one thousand dollars (\$1,000).

(d) With respect to the delivery of alcoholic beverages, beer, or both pursuant to this chapter, a delivery service company may be deemed responsible for the conduct of a delivery driver for purposes of discipline on the license of the delivery service company.

SECTION 7. This act shall take effect upon becoming a law, the public welfare requiring

it.